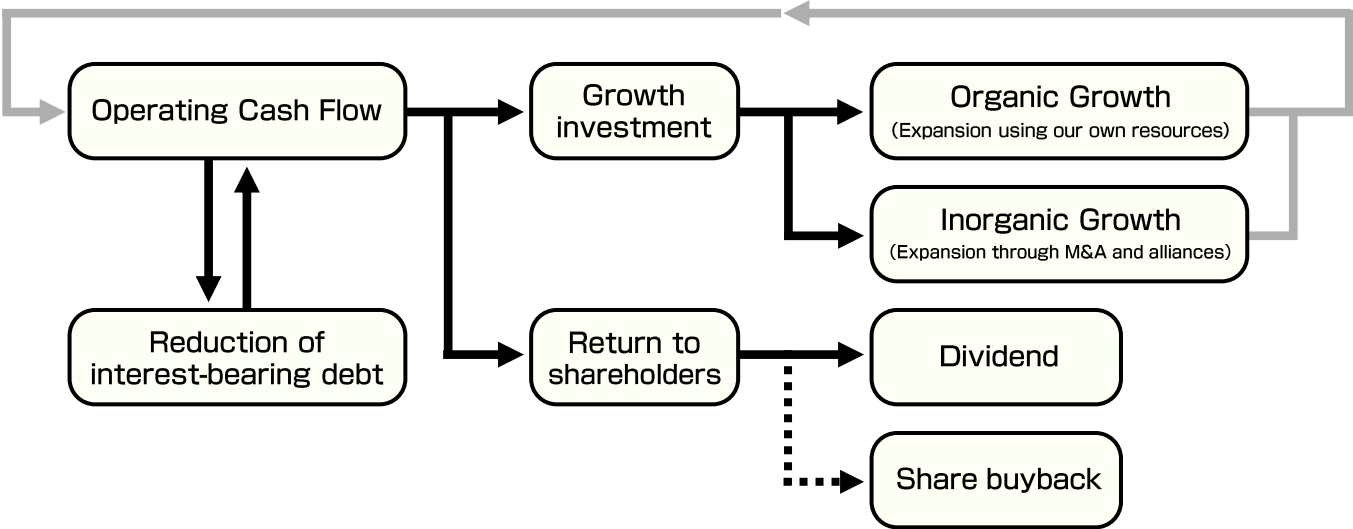


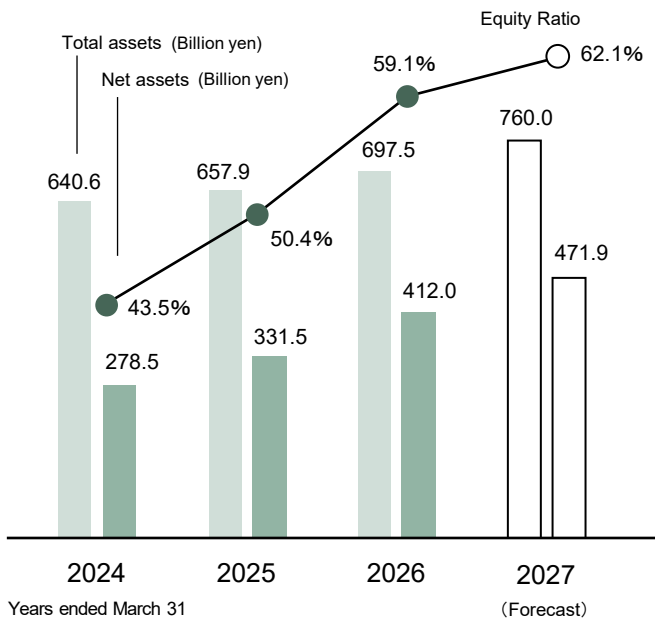
Financial Strategy

Achieve sustainable corporate value enhancement by implementing a financial strategy that is coordinated with our business strategy and focused on investment efficiency

Cash Flow Allocation



Trends in consolidated equity ratio



In the previous fiscal year, FY2025, the Company achieved record highs in both net sales and profits and also achieved the financial targets the Company had set under multiple medium-term management plans to date. As a result, its financial foundation has steadily strengthened and improved significantly.

During the 2019-2021 MTP period, we embarked on business monitoring based on ROIC. Thereafter, during the 2022-2024 MTP period, we incorporated ROIC as a business evaluation indicator for dynamic management of our business portfolio, developing a system for evaluating the capital efficiency of each business. In FY2024, which was the final year of the 2022-2024 MTP, we calculated WACC per business as well as ROIC and added the ROIC Spread, which is derived from these two figures, as an indicator for measuring business value. Going forward, based on business-specific WACC that reflects the characteristics of each business, the Company will conduct clearer and more rigorous business evaluations and further strengthen the efficient use of capital to improve group-wide ROIC. By enhancing business evaluation and executing more efficient management resource allocation, we continue to actively invest in businesses positioned as “Value Expansion” and “Value Cultivation” businesses. We intend to create a virtuous cycle in which we increase the cash generated by our core businesses and existing businesses that are pursuing “Value Reinforcement/Optimization” and then allocate the proceeds to invest in further growth. Going forward, the Company will continue to pursue its business strategies and financial strategies in an integrated manner while developing a financial framework that enables the Company to clearly communicate its approach and progress to shareholders and other stakeholders.



Director, Senior Executive Officer,
Senior General Manager of Corporate
Planning & Control Sector

YOSHIMOTO Seiichiro

Financing policy

To ensure stable business operations, we keep a certain level of liquid assets to prepare for drastic changes in the market, exchange rates, and nonferrous metal prices. Meanwhile, in addition to active investments in the Business Creation and Engineered Materials Sectors, following our previous mid-term plan, we will continue to pursue investments to improve our social & environmental value and financial value under the current mid-term plan. To implement these activities, we strive to procure financing in accordance with our funding needs, considering the overall financial market situation, interest rates, and other factors.

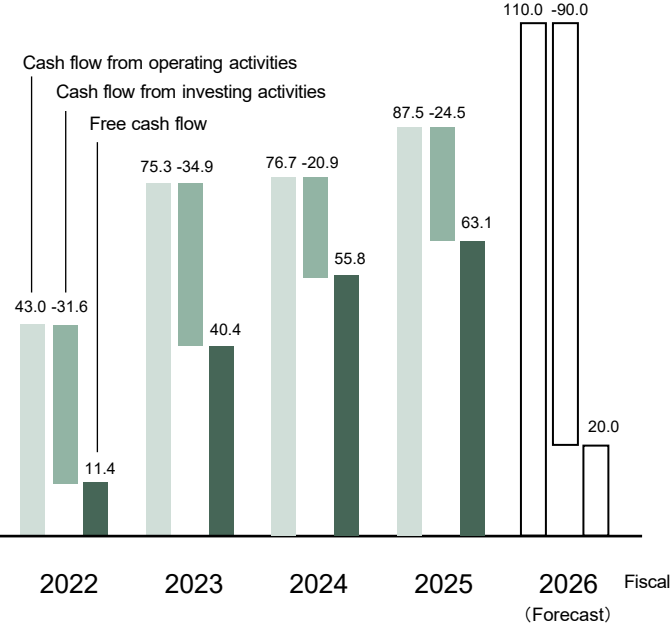
Return to shareholders

The 2022-2024 MTP prioritized sustainable, stable distribution of dividends, setting a target DOE (dividend on equity ratio) of 3.0%. Under the current 2025-2027 MTP, we have adopted a progressive dividend policy to achieve more stable shareholder returns, and we will implement dividends with a target DOE of 3.5%. To make effective use of cash, we have added buying back shares as a new option, depending on the status of investment spending.

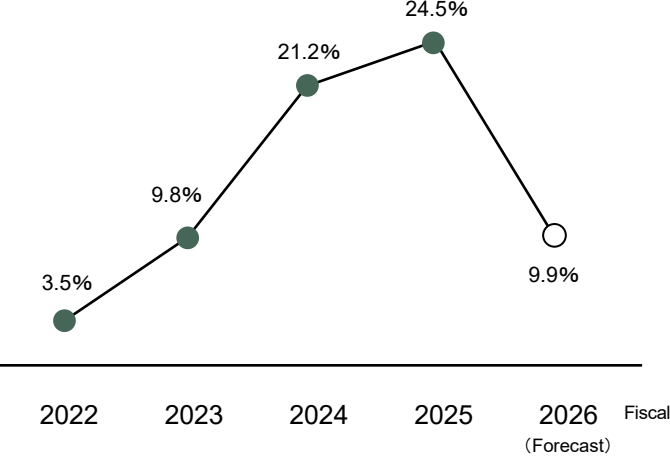
Tax policy

Mitsui Kinzoku Group complies with the laws and regulations of the countries and regions in which we do business, and conducts our business activities in accordance with the tax guidelines published by international organizations such as the OECD (the Organization for Economic Co-operation and Development). When making business decisions, we consider tax matters and position tax strategy as part of our business strategy. If countries and regions have preferential taxation systems, we carefully check the actual situation of our business and the purpose of the systems, use them appropriately, and do not take tax avoidance acts that abuse the systems.

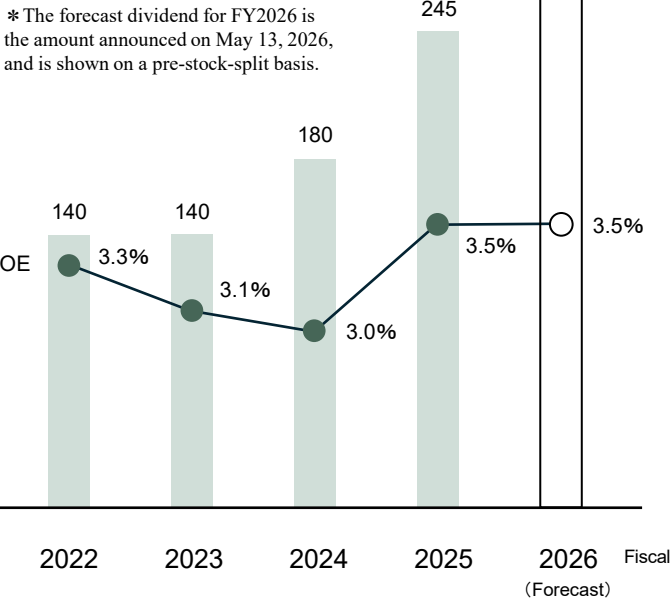
Cash flow (Billion yen)



Trends in ROE



Trends in consolidated dividend on equity (Yen)

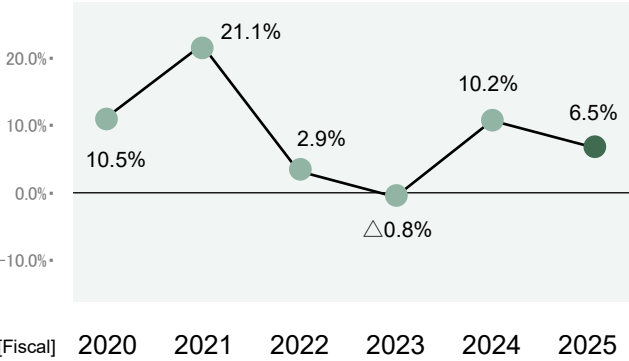


* The forecast dividend for FY2026 is the amount announced on May 13, 2026, and is shown on a pre-stock-split basis.

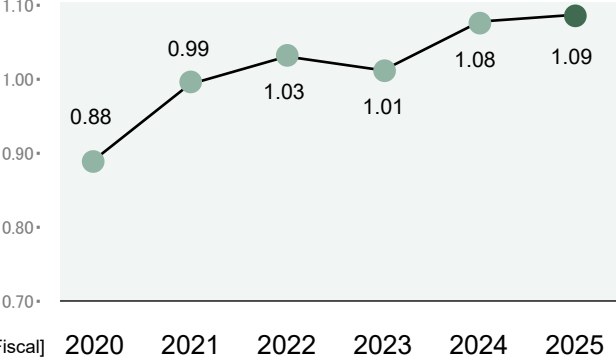
Financial Highlights

Trends in major financial indexes

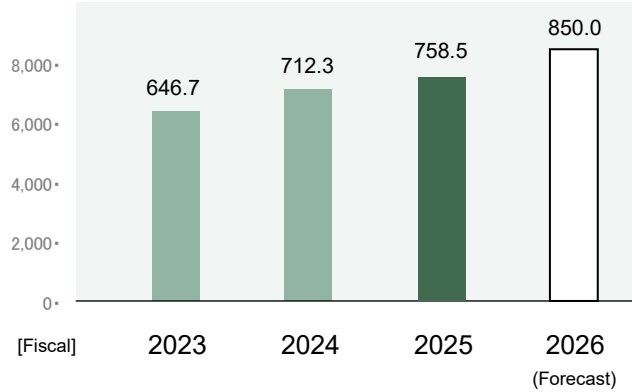
Sales growth rate



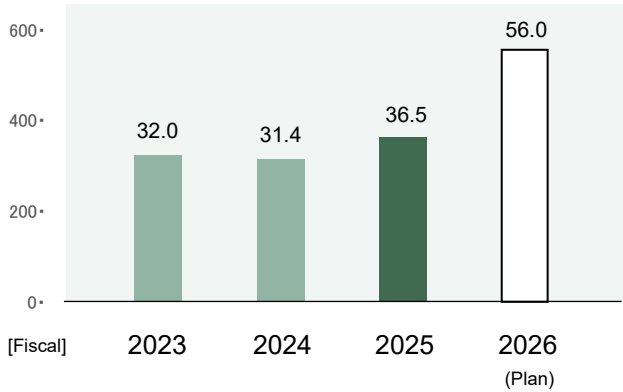
Total asset turnover ratio



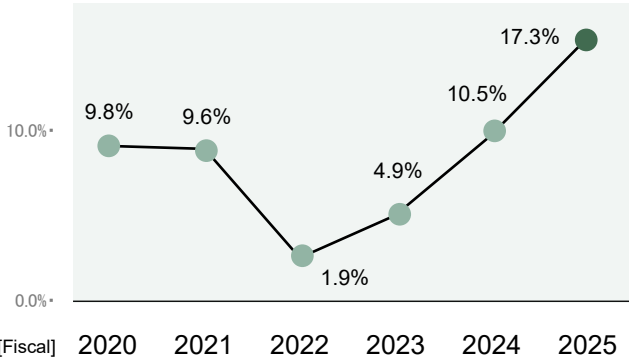
Net Sales



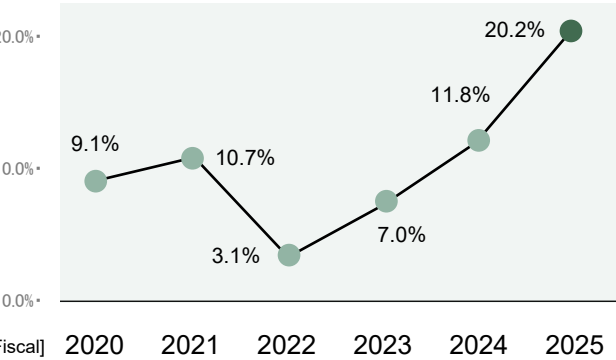
Capex



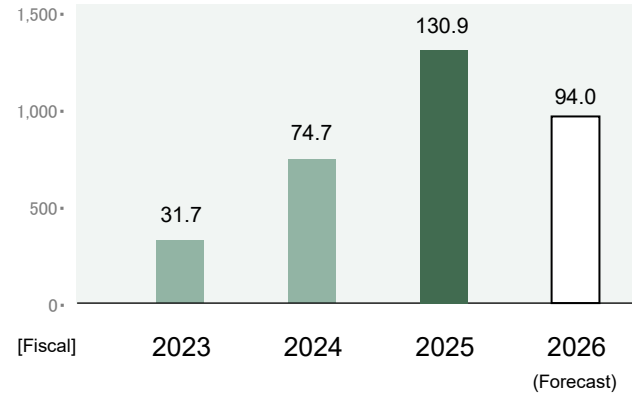
Rate of operating profit on sales



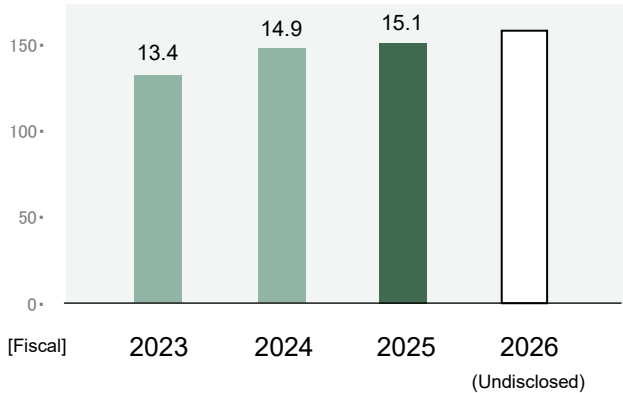
ROA (Return on assets)



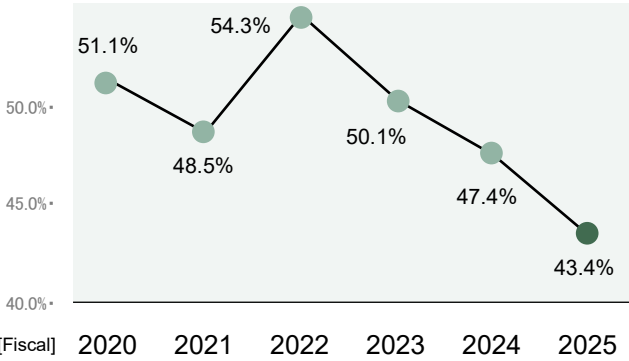
Operating profit



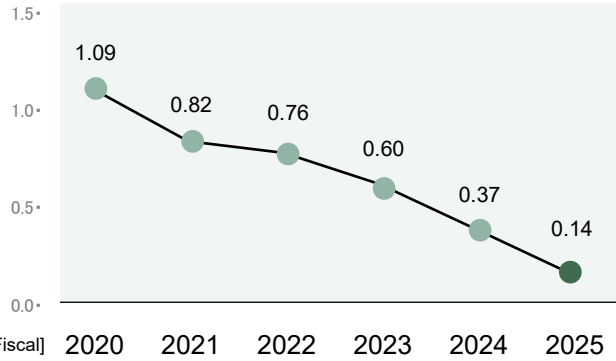
R&D expenditures



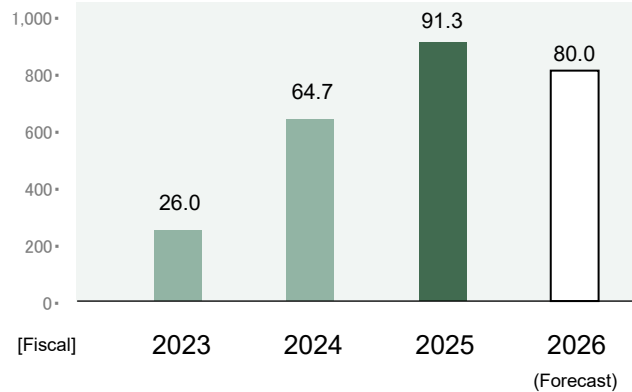
Overseas sales ratio



Net D/E ratio



Profit attributable to owners of parent



* The forecasted figures for fiscal year 2026 are as of August 7, 2026.

Highlights of major financial indexes for the past 11 fiscal years are listed on pages 78-79. Please refer to those pages as well.

Managing portfolio dynamically

Strategic investments in M&As

We will balance and accelerate the management of “Exploitation” and “Exploration” and pursue internal and external synergies to continually create financial value and social and environmental values.

We have backcast an “attractive market” in 2030 based on our forecast of the world in 2050, and have forecast a “winnable market” in 2030 based on the Mitsui Kinzoku Group’s strengths, and set our activity areas for 2030 as the intersection of these markets. We will strategically manage the Group’s various businesses and constantly optimize the allocation of management resources to continue creating and supplying products that can contribute to these markets in the areas of communications/electronics, environment/energy, social/industrial infrastructure, mobility, and life sciences. These are vital, indispensable initiatives for the Group to achieve continuous growth.

According to these scopes, we restructured the organization at the start of the previous medium-term management plan. The concept for the reorganization had two visions: attractive product/market scopes and allowing continued pursuit of synergies. Moving away from our previous framework, in which each sector reached its own market and customers, we have transformed our organizations, enhancing their capacities to deliver value by re-grouping them according to product/market scope. This will lead to each business sector developing its existing businesses, and in addition, the Business Creation Sector will create new businesses, thus establishing a structure that enhances and accelerates the pursuit of ambidexterity.

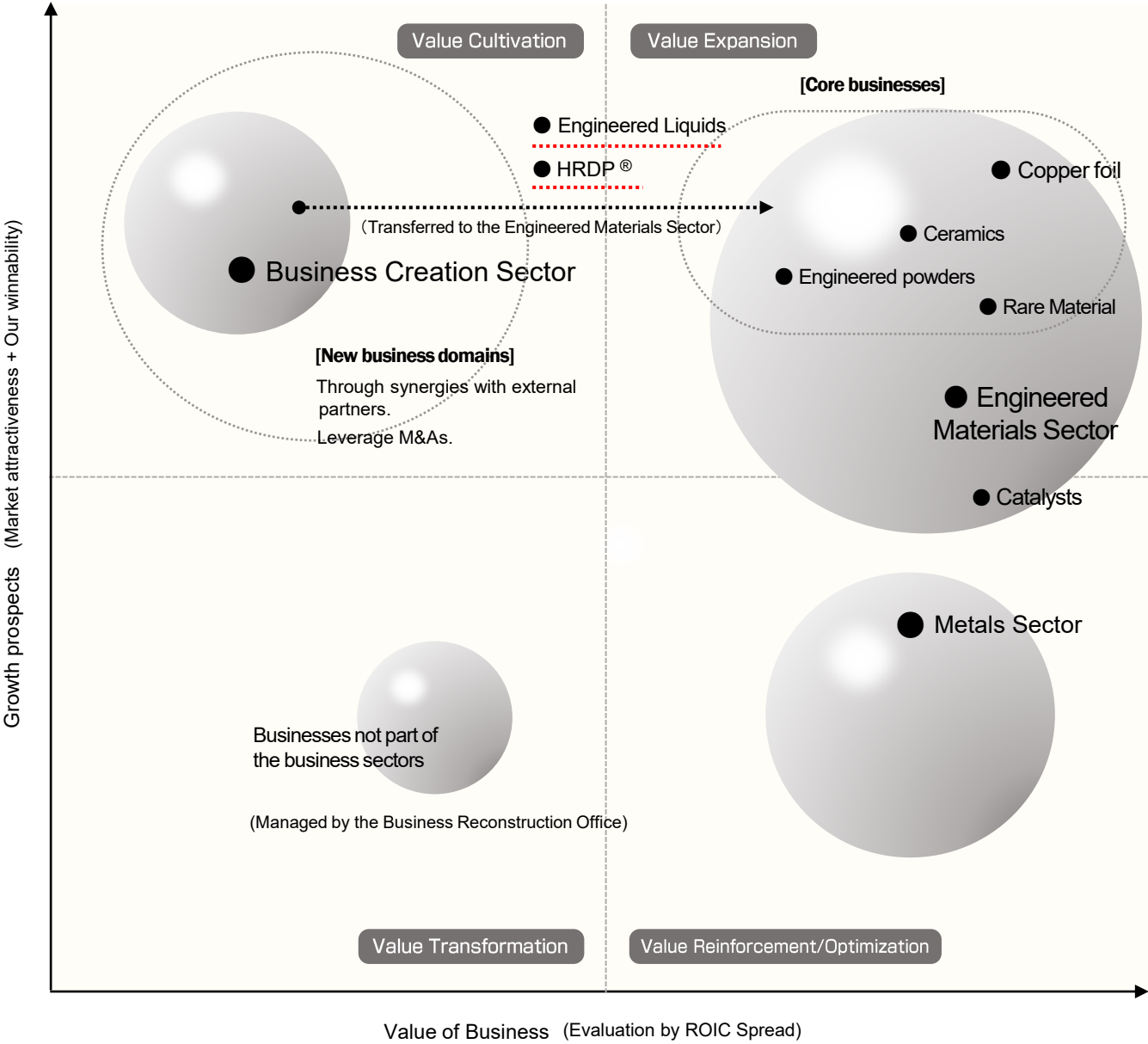
“Exploitation” involves developing existing businesses and maximizing their potential. “Exploration” involves forging new businesses and expanding knowledge in uncharted areas to create new businesses. These two factors will be balanced by the pursuit of ambidexterity.

“Growth prospects” are evaluated based on market attractiveness and our competitiveness. “Business value” was previously evaluated based on EBITDA and ROIC, but the current medium-term management plan (the 2025-2027 MTP) adds ROIC Spread to the evaluation indicators. We define ROIC Spread as the value obtained by deducting a business segment’s WACC (weighted average cost of capital for the business) from ROIC. We believe this will allow us to more accurately judge whether we are using capital efficiently and reliably generating earnings as well as to better measure improvement in corporate value.

In businesses with high growth prospects, which is the matrix’s vertical axis, we actively use external resources, not only internal growth, including M&As and business alliances for further Value Expansion and Value Cultivation. The Business Development Office of the Corporate Planning Department is responsible for implementing these initiatives. We will combine synergies created through internal business reorganization and partnerships with external organizations to enhance our growth strategies. Based on dynamic business portfolio management, we will constantly assess businesses and explore internal and external best owners* for businesses that are categorized as Value Transformation. The Business Reconstruction Office of the Corporate Planning Department, which governs businesses not included in the business sectors, is responsible for these initiatives.

* Best owner
“Best owner” refers to the management entity that is expected to make the best use of the management resources of the business to maximize the corporate value in the medium to long term.

Portfolio Matrix Measures implemented in FY2025 Re-evaluated and action taken in FY2025



Exploring new businesses

[Business Creation Sector]

Vision for 2030 (What we should be in 2030)

A team of excited people co-creating value, and exploring the future with material intelligence

“Help build a better future.” By taking on this challenge and making it come true, we will help improve the sustainability of society and enhance the corporate value of Mitsui Kinzoku Group.

R&D Themes Advancing Toward Commercialization and Their Markets

[Environment & Energy Area]

Solid electrolyte for all-solid-state batteries

A-SOLiD®

All-solid-state batteries are attracting significant attention as next-generation batteries due to their high safety, greater flexibility in operating environments, compact design, and fast-charging capability. Development is progressing across a wide range of applications, from industrial equipment to electric vehicles, and commercialization is expected in the latter half of the 2020s. Our solid electrolyte for all-solid-state batteries, A-SOLiD®, is a key material supporting this emerging market, and we aim to contribute to the advancement of next-generation mobility and the realization of a decarbonized society. To capture this growth opportunity, we have steadily advanced the development of A-SOLiD® and strengthened our business

foundation. Since commencing supply in FY2021, we have progressively expanded production capacity by enhancing our pilot-scale facilities and have now established a supply framework at approximately four times its initial level. We are also constructing our first mass-production plant, scheduled to begin operations in 2027, while building a value chain in preparation for full-scale commercialization. Supply agreements have already been secured with customers targeting commercialization around 2027-28. Going forward, we will further enhance our competitive advantage through high product quality and stable supply, supporting the wider adoption of all-solid-state batteries and contributing to a sustainable society.

Functional Porous Materials

Functional Porous Materials (FPM) are materials expected to help address a wide range of challenges in the environmental and resource circulation fields, including CO2 capture and resource recycling. Focusing on these characteristics, the Company is working to create new business opportunities that contribute to the realization of a decarbonized society and a resource-circulating society. Currently, the Company is advancing development and considering commercialization, primarily in areas such as CO2 capture, metal recovery, and lithium resource recovery, while taking into account the characteristics of each application and market.

Toward the commercialization of FPM, the Company has been strengthening its promotion framework and developing a foundation for demonstration and evaluation. In FY2026, the Company plans to introduce pilot-scale equipment and equipment for trial mass production. Concrete initiatives are also making steady progress in each area, including in-house implementation and demonstrations at external customer sites for metal recovery, evaluation of demonstration facilities at the Group's Hachinohe Smelting for CO2 capture, and market development for lithium resource recovery in collaboration with external partners.

[Next-generation Electronics Area]

Bonding materials for next-generation semiconductors

Cu sinter paste

Copper sinter paste is an advanced bonding material expected to support the implementation of next-generation power semiconductors. Power semiconductors are indispensable for improving the performance and energy efficiency of electric vehicles and renewable energy systems. Our copper paste is being developed as a material that combines excellent thermal conductivity and heat resistance, helping to improve power device performance while also offering potential cost advantages. We are advancing its commercialization to address the needs of this growing market.

* HRDP®, a special carrier for next-generation semiconductor chip mounting, which had been under development by the Business Creation Sector, has been transferred to the Engineered Materials Sector as part of its business operations.

Exploration

Value Cultivation

In response to increasingly sophisticated customer and market needs

As social issues become increasingly complex and the pace of change in the market environment continues to accelerate, demand for materials that contribute to decarbonization and energy conservation is growing as society advances toward carbon neutrality and a circular economy. Looking ahead to 2030, markets related to EVs, next-generation semiconductors, AI, and 5G/6G are expected to expand, and the competitive advantage of materials technologies capable of meeting these needs will increasingly determine our business competitiveness. Looking further ahead to the 2040s, we anticipate significant changes in industrial structures and business opportunities across the fields of environment and energy, next-generation electronics, and life sciences. Against this backdrop, the Business Creation Sector is responsible for the Exploration side of our ambidextrous management approach. Starting from social and customer challenges, the Sector identifies business opportunities that will support future growth and develops them into the next earnings pillars.

By combining the Company's core technologies, which form the source of its competitive advantage, with expertise spanning materials design, synthesis, evaluation, and mass production, the Sector promotes the creation of distinctive business opportunities that simultaneously address social challenges and drive business growth. With the goal of establishing the next pillars of business by 2030, the Sector is accelerating commercialization in priority areas such as all-solid-state battery materials, copper paste, and functional porous materials, aiming to achieve ¥10 billion in contribution profit by FY2030. At the same time, through continued investment in R&D and production facilities, expanded co-creation with universities, research institutions, and startups, and technology acquisition through CVC activities, the Sector is steadily nurturing seeds of businesses that are expected to become core earnings drivers in the 2040s, thereby contributing to the Group's sustainable growth and the enhancement of corporate value over the medium to long term.



YASUDA Kiyotaka

Senior Executive Officer,
Senior General Manager
of Business Creation Sector

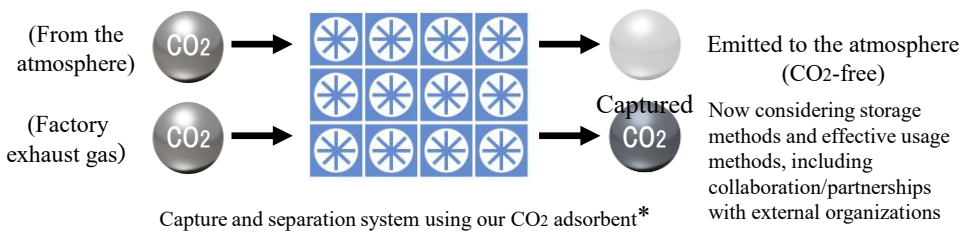
Materiality in the 25–27 MTP

Exploration to create new markets

Advance R&D themes contributing to carbon neutrality to the demonstration phase. (Goals for FY2027)

Theme: CO2 Capture Business

Completion of an initial evaluation using actual gas at partners and collaborators who want to capture CO2

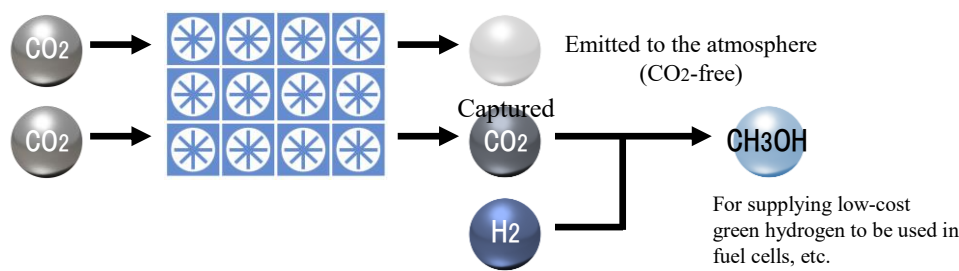


* CO2 adsorbent
In catalysts and adsorbents, hierarchical structures that combine both macropores, which serve as pathways for substances, and mesopores, which enhance reaction efficiency, are attracting attention as an advanced technology. This structure enables both substance diffusion and reaction to be enhanced simultaneously. The Company has independently developed a highly efficient CO2 adsorbent by loading a CO2 adsorbent solution onto bimodal porous silica containing both macropores and mesopores.

Theme: CCU-S Demonstration Project in India

Carbon Capture & Utilization System

Completion of a demonstration project of the process from capture to methanol generation at a catalyst manufacturing site in India



Since 2023, the Company has been jointly developing water electrolysis electrodes with the Indian Institute of Technology Delhi for the production of green hydrogen. In January 2026, with the aim of promoting research and development in the fields of green hydrogen production technologies and CO2 capture and utilization (CCU) technologies, the Company entered into a memorandum of understanding with the Haryana Enterprises Promotion Centre, a platform under the Government of Haryana, Republic of India, that facilitates the acquisition of permits and approvals to support business expansion.

Engineered materials

[Engineered Materials Sector]

Vision for 2030 (What we should be in 2030)

FY2030 targets: ¥444 billion net sales,
¥130 billion ordinary income *

More than 70% of newly launched products and more than 50% of sales
are environmental contribution products.

* The targets for net sales and ordinary profit have been revised upward.

Business Divisions and Main Products under the Sector

- Copper Foil Division

Electrolytic copper foil for printed circuit boards,
MicroThin™ copper foil with carrier film, Embedded capacitors
- Catalysts Division

Catalysts for detoxifying exhaust gas (for automobiles,
motorcycles, and utility engines)
- Engineered Powders Division

Conductive powders, Ultrafine powder for electronic materials,
Solder powder, Atomized powder, Battery materials
(Hydrogen storage alloy, Lithium manganese oxide)
- Rare Material Division

Oxidized/carbonized tantalum and niobium, Cerium oxide
abrasives, Rare earth products (Oxides, Rare earth compounds,
Metal products, Rare earth salts, Processed products)
- Ceramics Division

Refractory materials, Fine ceramics, Molten aluminum treatment
systems
- PVD Materials Division

Transparent conductive thin film applications, Oxide
semiconductor target materials for displays, Sputtering
target materials

Strengths of the Engineered Materials Sector

- High-quality, high-performance product lineup that leverages the unique core technologies and expertise we have developed to date
- Production and sales systems located in consumption areas, especially in the Asia region
- Creation of synergy through collaboration with internal and external partners

Key Top-Share Products

For semiconductor packages	95 %
Copper foil with carrier film	
For motorcycles	50 %
Catalyst for exhaust purifier	
For hybrid vehicles	30 %
Battery Materials (Hydrogen storage alloy)	
For MLCC	25 %
Copper powders	
For glass substrates	40 %
Cerium Oxide Abrasives	
For filtration of molten aluminum	85 %
METALOFILTER®	
For displays	40 %
Oxide semiconductor target material	

* Each figure indicates the share of the global market.

Changes in Capital Investment of the Sector

FY2026	15.9 (11.0) billion yen	(plan)
FY2025	9.9 (6.1) billion yen	
FY2024	7.6 (6.3) billion yen	
FY2023	7.5 (5.6) billion yen	
FY2022	8.1 (5.9) billion yen	

* Figures in parentheses indicate the amount of the total investment in growth areas.
* For FY2022 and FY2023, the figures are the totals of the previous business segments.

Create Top-share products based on market needs and customer challenges

The Engineered Materials Sector has cultivated a diverse range of technologies centered on core technologies developed over many years. By integrating these technologies, it has continued to create value across a wide range of fields and markets, including electronics, communications, and automobiles, in response to changing societal needs. The Sector is currently positioned as a “Value Expansion” business within the Company-wide business portfolio. As the digital society becomes increasingly sophisticated, demand for data processing, as exemplified by AI servers and high-speed communications infrastructure, is rapidly expanding. Along with this trend, semiconductor packages and substrates used in these applications are becoming increasingly dense and capable of higher-speed operation, and the materials used in these semiconductor packages and substrates are required to deliver even higher levels of performance and functionality. Viewing this market evolution as a business opportunity, the Sector continues to make proactive investments with its high-performance copper foil product lineup (including MicroThin™ and VSP™) at the core, while strengthening its competitiveness in AI infrastructure and advanced semiconductor fields and accelerating growth. To support these growth investments, the Sector is also continuously improving productivity and clarifying the value of each product, while promoting value-based pricing and strengthening cash generation.

In FY2025, sales expanded for multiple products not only in the mainstay electrolytic copper foil but also in catalysts, engineered powders, rare materials, and ceramics, resulting in a 33% year-on-year increase in sales for the Sector. In April this year, the Engineered Materials Sector established the Kyushu Advanced Materials Development Center in Omuta City, Fukuoka Prefecture, with the aim of developing advanced materials and creating new businesses to support future growth. In advanced fields such as next-generation semiconductors, the importance of materials technologies is increasing, and Kyushu, where industry-government-academia collaboration and technical talent are concentrated, is well suited to strategic materials development. In this region, Mitsui Kinzoku has the strength of integrated operations covering rare earths and rare metals from raw material procurement through to final products. Leveraging this strength, the Sector aims to accelerate the process from development to commercialization by integrating prototyping and evaluation functions while promoting collaboration across multiple business divisions. It will also advance research into areas such as thermal management and energy conversion materials and materials for next-generation foundational technologies, with the aim of creating new products and businesses. Going forward, the Sector will promote value creation, particularly in growth fields, by leveraging the strengths of each of its businesses and thereby contribute to the sustainable enhancement of corporate value.



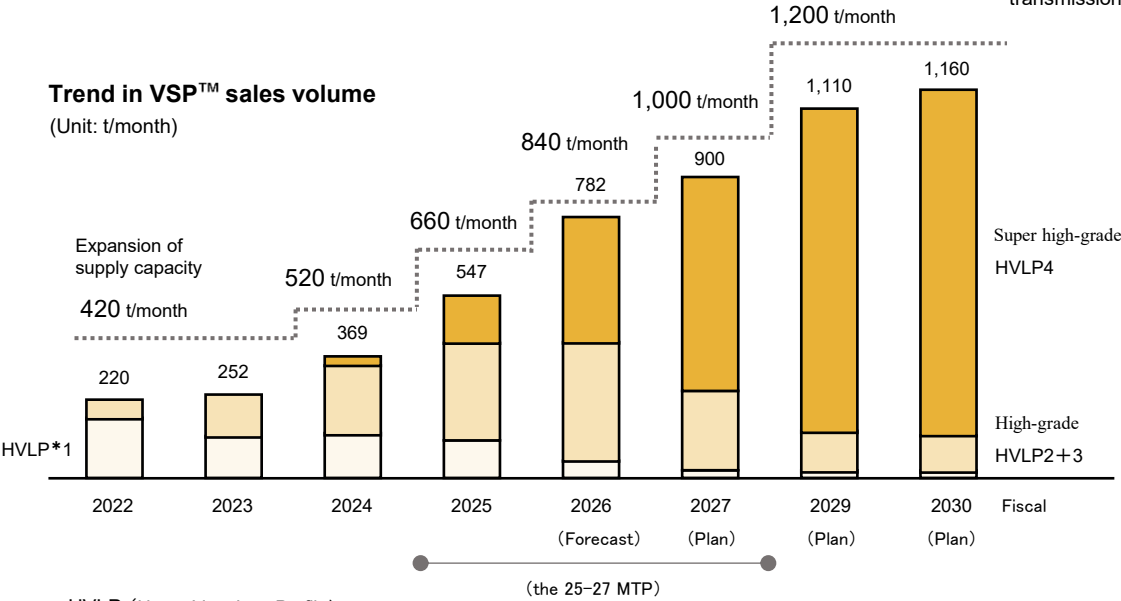
OKABE Masato
Representative Director,
Senior Managing Director,
Senior Managing Executive Officer,
Senior General Manager of
Engineered Materials Sector

Key Initiatives under the 25–27 MTP

Capture demand from the growing AI market
Electro-deposited copper foil for high-frequency circuit boards 「VSP™」

This is one of the many initiatives being undertaken across the businesses within the Sector.

To meet growing demand from the expanding AI market, the Sector is progressively increasing its production capacity while also developing new high-performance materials for even higher-speed transmission.



* The denominator for the ordinary income percentage is the figure prior to consolidated adjustment.

Metals Mining and smelting

[Metals Sector]

Exploitation

Value Reinforcement/Optimization

Vision for 2030 (What we should be in 2030)

We are essential in efforts to build a sustainable world.

We strive to further enhance our recycling network underpinned by distinctive characteristics, and we continue to explore new mineral resources and utilization of low-carbon energy.

Business Divisions and Main Products under the Sector

- Zinc Division**

Zinc, Zinc-based alloys, Zinc products, Lightweight aggregate
- Lead Division**

Lead, Tin, Bismuth, Antimony trioxide, Lead compounds
- Copper & Precious Metals Division**

Copper, Gold, Silver, Sulfuric acid
- Mineral Resources Division**

Zinc concentrate, Lead concentrate, Copper concentrate, Geothermal Resource

Strengths of the Metals Sector

- Smelting Division**

 - We are a leading domestic producer of zinc.
 - We can process a wide range of raw materials thanks to our network of seven smelters in Japan.
 - Hachinohe Smelting is one of the few smelters in the world with ISP technology, and we have a smelting network that combines wet and dry zinc smelting along with copper and lead smelting.
 - We produce continuous galvanizing grade zinc alloys for highly corrosion resistant galvanized steel sheet (a high-added-value product).
- Mining Division**

 - We have operated our own zinc mines in Peru for many years.
 - We produce clean, high-grade zinc concentrate.

Key Top-Share Products

Zn	Zinc	52 %
Bi	Bismuth	59 %

* Each figure indicates the domestic production share.

Percentage of recycled materials in products

Zn	Zinc	50 %
Pb	Lead	70 %
Cu	Copper	27 %
Sn	Tin	100 %

Contribute to the realization of a sustainable society through our metal materials

The Metals Sector plays a role in the supply chains for nonferrous metals and rare metals that are essential to a wide range of infrastructure and industries. Zinc contributes to extending the service life of social infrastructure by protecting steel from corrosion, while lead continues to be used in storage batteries, and copper and rare metals are used in a wide range of fields and markets, including electronic materials. In addition to working to ensure a stable supply of zinc, lead, copper, and other metals, the Sector has long been advancing recycling-based smelting. To meet growing recycling needs associated with the transition to a recycling-oriented society, the Sector has established “to propose and provide solutions that help build a sustainable world” as the mission of the Metals Sector. Toward achieving its Vision for 2030, during the three-year period of the 25–27 MTP, the Sector is pursuing a more advanced recycling-based smelting network, considering the development of new mines, reducing CO2 emissions and utilizing renewable energy toward the realization of a decarbonized society, and developing digital infrastructure toward the realization of digital transformation (DX).

As part of its efforts to reduce CO2 emissions, the Group had previously produced gypsum from sulfuric acid generated in the smelting process. To reduce CO2 emissions generated during gypsum production, however, Kamioka Mining & Smelting ceased gypsum production in May 2025. In addition, Hibi Kyodo Smelting plans to halve gypsum production from the second half of FY2026 and cease production during FY2028. With regard to the more advanced recycling-based smelting network, in addition to the recycling of zinc from galvanized steel sheets that the Group has undertaken to date, the Group is focusing on the processing of lead-rich residues containing tin, antimony, bismuth, and other metals, for which processing needs are increasing as E-scrap recycling advances at copper smelters. The Group will continue to provide value that only it can deliver by making maximum use of the distinctive strengths of its metals business, namely its zinc, lead, and copper smelting network, which utilizes a diverse range of processes, as well as its mineral resources and renewable energy.



SAITO Osamu
Senior Managing Executive Officer,
Senior General Manager of
Metals Sector

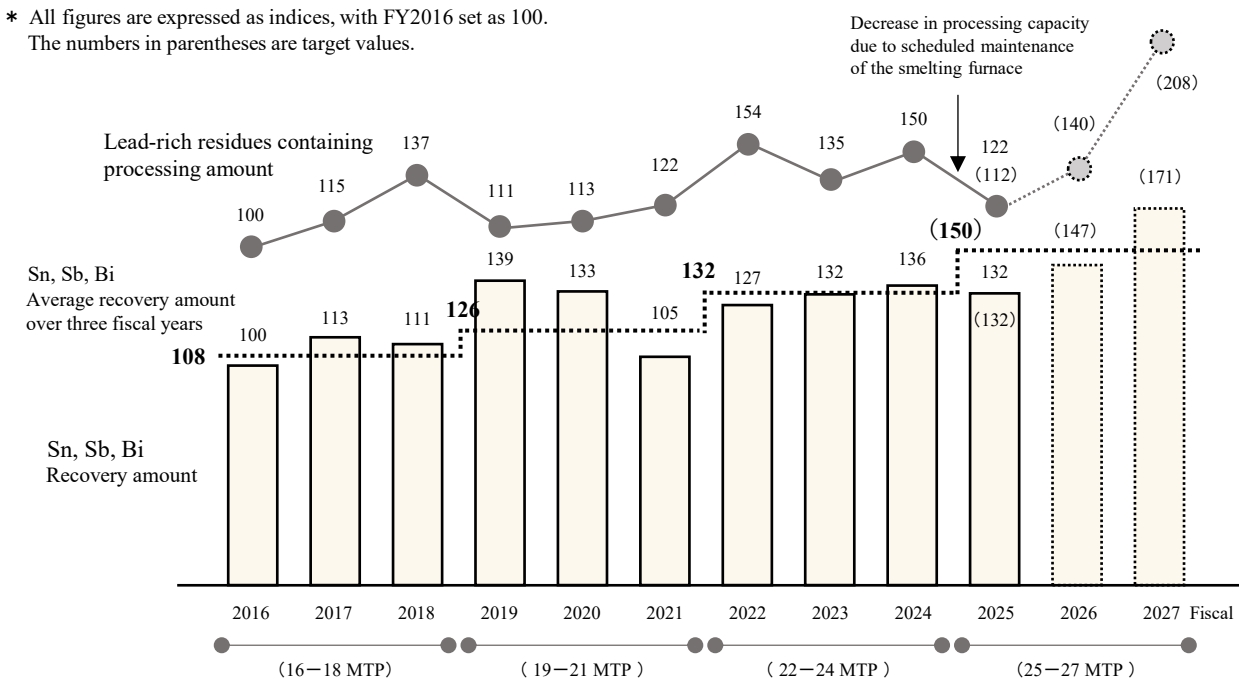
Materiality in the 25–27 MTP

Promoting E-scrap recycling by leveraging our smelting network

We are increasing the volume of Lead-rich residues containing processed and boosting the recovery amounts of Tin, Antimony, and Bismuth.

[Results of Initiatives in FY2025]

We achieved our target for the volume of Lead-rich residues containing processed, and recovery amounts of Sn, Sb, and Bi all exceeded our targets. In FY2026, we will strengthen our marketing and procurement system for recycled materials and conduct trials aimed at increasing our processing capacity.



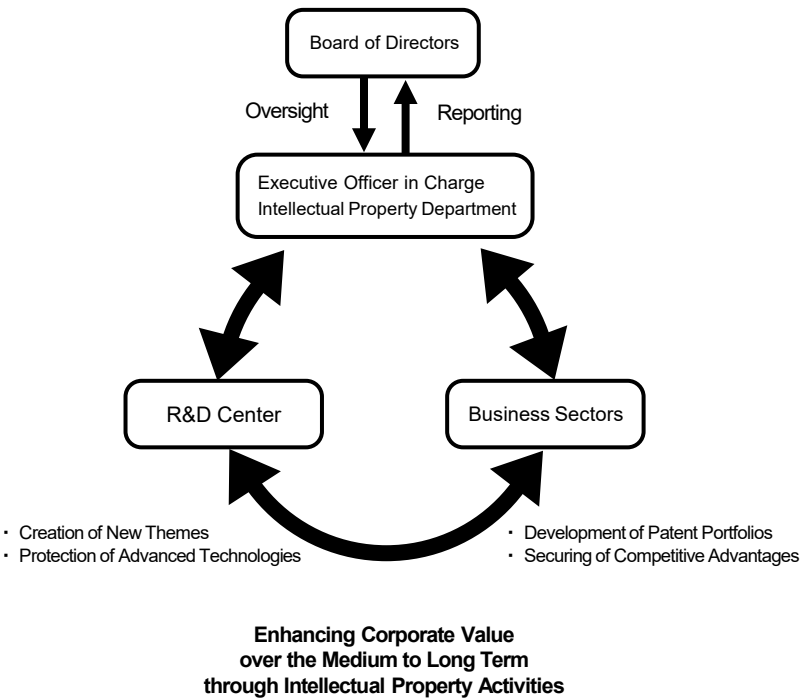
Intellectual Property Management

Our approach

Mitsui Kinzoku Group regards intellectual property as an important management resource and promotes intellectual property management based on a set of fundamental policies. These policies include appropriately protecting intellectual property, securing competitive advantages for its businesses through intellectual property, utilizing intellectual property in new businesses, minimizing intellectual property-related risks, developing and securing human resources in the field of intellectual property, and fostering a corporate culture that respects intellectual property. Under the 25–27 MTP, the Intellectual Property Department will further strengthen intellectual property management linked to the management strategy, while enhancing information disclosure and IR activities related to intellectual property and strengthening the supervisory function of the Board of Directors.

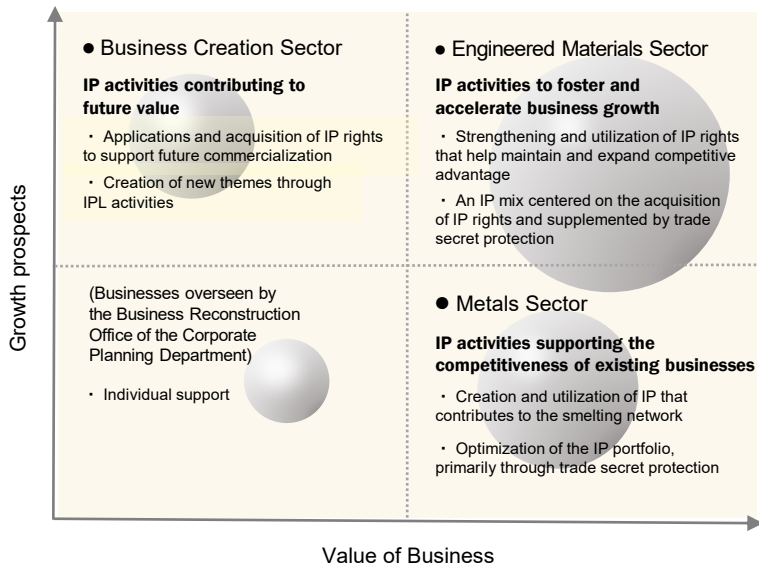
Intellectual Property Governance Structure

To help enhance the effectiveness of the Board of Directors' oversight of intellectual property activities, the Intellectual Property Department has established key management items and reports directly to the Board of Directors on their progress, as well as on related issues and measures to address them, for the Board's review and oversight. The Board of Directors has recognized the continuous improvements being made in intellectual property investment, while also calling for further improvements in areas such as visualizing the link between such investment and the enhancement of corporate value. In response to these requests, the Intellectual Property Department works to enhance the Group's corporate value over the medium to long term by proposing and implementing measures to develop intellectual property and intangible assets that contribute to value creation and strengthen the competitiveness of the R&D center and business sectors, based on their respective strategies. The Department also works to communicate information on intellectual property activities both internally and externally through the integrated report, website, ESG briefings, and other channels. Going forward, the Intellectual Property Department will further strengthen intellectual property governance by enhancing the communication of information on intellectual property activities and strengthening the supervisory function of the Board of Directors.



Intellectual property initiatives supporting Ambidexterity

The Intellectual Property Department makes intellectual property investments tailored to the positioning of each business based on the business evaluation matrix. The Department gives priority to investment in intellectual property and intangible assets in the Business Creation Sector and the Engineered Materials Sector, which are focus areas, with a view to the entire process from R&D through commercialization. Through this approach, the Department is advancing proactive intellectual property investment to support future commercialization in both sectors. For existing businesses, meanwhile, the Department strengthens and utilizes intellectual property rights that contribute to maintaining competitive advantages and maximizing earnings, while also optimizing intellectual property portfolios in light of investment efficiency. In the Business Creation Sector, the Department promotes the building and development of intellectual property and intangible assets related to solid electrolytes for all-solid-state batteries (A-SOLiD®) and functional porous materials, with commercialization in mind from the stage of creating research themes.



In the Engineered Materials Sector, the Department is expanding intellectual property and intangible assets related to higher-performance grades of copper foil (VSP™) and iconos™. The Department will further strengthen related intellectual property investment, taking the establishment of the Kyushu Advanced Materials Development Center as an opportunity. The Center promotes the creation of new businesses as “next seeds” originating from the Engineered Materials Sector and supports their transition to initial mass production.



知財・無形資産
ガバナンスガイドライン

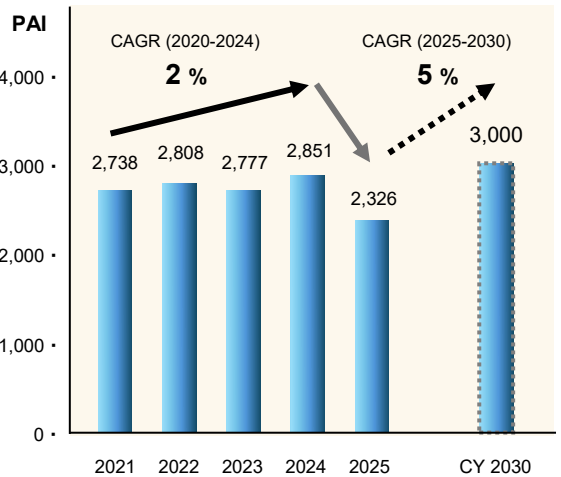
形のない資産が、形ある未来を創り続ける。

Mitsui Kinzoku invests in and utilizes intellectual property and intangible assets based on the Cabinet Office's "Intellectual Property and Intangible Asset Governance Guidelines."

https://www.cas.go.jp/jp/seisakukaigi/titeki2/tyousakai/tousi_kentokai/governance_guideline_v2.html

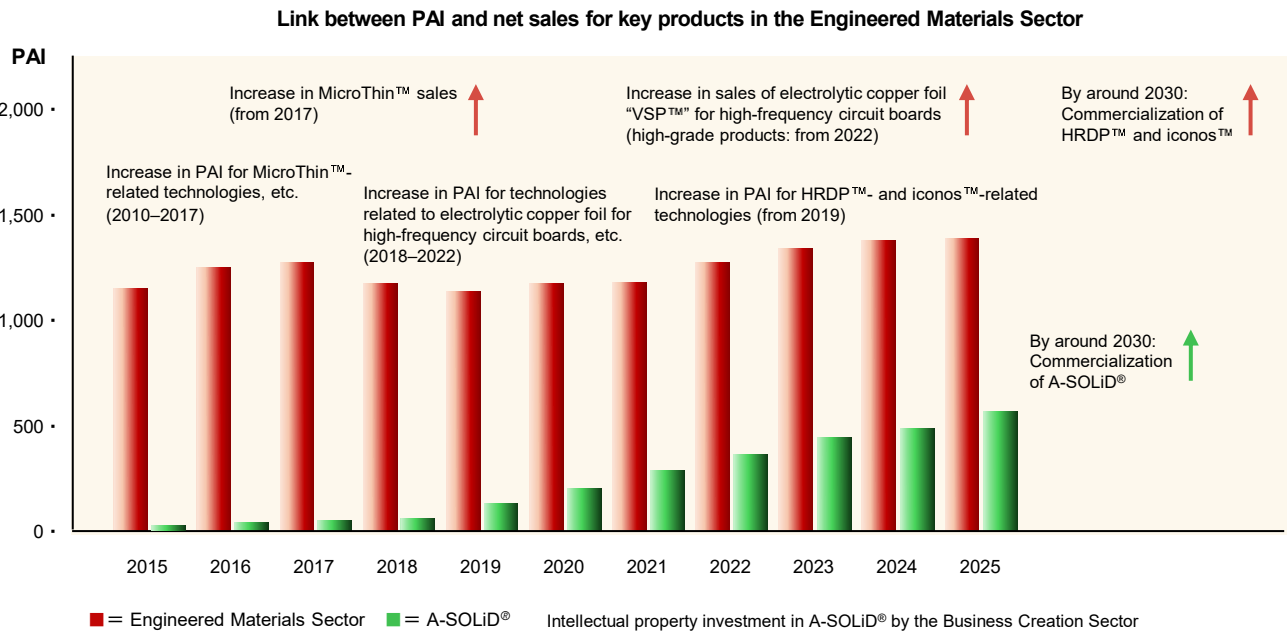
Status of intellectual property and intangible asset development in FY2025

The Intellectual Property Department has established the Patent Asset Index (PAI™*) as a KPI for its intellectual property activities and set a target of 3,000 for 2030. PAI declined due to the review and rationalization of patent assets held since 2021 and, in 2025, the sale of Mitsui Kinzoku ACT Corporation (now HI-LEX ACT Corporation). Going forward, the Business Creation Sector will strengthen efforts to systematically acquire core technologies and build patent portfolios for next-generation technologies and new business development, including solid electrolytes (A-SOLiD®) and porous materials. The Engineered Materials Sector will also strengthen intellectual property investment to protect existing businesses, products under development, and new products. Through these initiatives, the Group will step up efforts to achieve its 2030 PAI target. Trends in the number of patent family applications filed by the Group from FY2021 through FY2025, as well as the breakdown of registered patents by country as of the end of March 2026, are provided in the ESG Data.



Link between intellectual property activities and future financial performance

At the ESG briefing held in November 2025, the Group explained that increases in PAI tend to be followed by increases in net sales several years later and that improvements in PAI contribute to enhancing corporate value. Going forward, the Group will continue to promote intellectual property investment in priority business areas to contribute to future financial growth.



* PAI™ (Patent Asset Index)
Patent valuation data calculated using PatentSight®, provided by LexisNexis Intellectual Property Solutions. The Patent Asset Index (PAI) is an index that takes into account a patent value indicator (calculated at the patent family level based on the same priority application) that reflects current and future market attention, as well as the number of patents held.